

Message

From: Chapman, Apple [Chapman.Apple@epa.gov]
Sent: 1/3/2017 6:45:00 PM
To: Sorrell, Virginia [Sorrell.Virginia@epa.gov]; Sullivan, Tim [Sullivan.Tim@epa.gov]; Fried, Gregory [Fried.Gregory@epa.gov]
CC: Portmess, Jessica [Portmess.Jessica@epa.gov]
Subject: RE: EPA NSPS OOOO Tank Applicability
Attachments: TD23 - DRAFT_OOOO Storage Vessel Compliance Alert_1.3.17.revisions2.docx

Use this version. Thanks.

Ms. Apple Chapman | Deputy Director, Air Enforcement Division | U.S. Environmental Protection Agency
1200 Pennsylvania Ave. NW, Washington DC, 20004 | 202-564-5666 (office) | 202-841-6076 (mobile) |

From: Sorrell, Virginia
Sent: Tuesday, January 03, 2017 12:35 PM
To: Chapman, Apple <Chapman.Apple@epa.gov>; Sullivan, Tim <Sullivan.Tim@epa.gov>; Fried, Gregory <Fried.Gregory@epa.gov>
Cc: Portmess, Jessica <Portmess.Jessica@epa.gov>
Subject: RE: EPA NSPS OOOO Tank Applicability

Yes, I will get back to you with new versions.

Virginia Sorrell
Air Enforcement Division
Office of Civil Enforcement
U.S. Environmental Protection Agency
Phone: 303-312-6669

This email, including attachments, may contain material that is confidential, privileged, and/or attorney work product.

From: Chapman, Apple
Sent: Tuesday, January 03, 2017 10:00 AM
To: Sorrell, Virginia <Sorrell.Virginia@epa.gov>; Sullivan, Tim <Sullivan.Tim@epa.gov>; Fried, Gregory <Fried.Gregory@epa.gov>
Cc: Portmess, Jessica <Portmess.Jessica@epa.gov>
Subject: RE: EPA NSPS OOOO Tank Applicability

Ex. 5 Deliberative Process (DP)

Apple

Ms. Apple Chapman | Deputy Director, Air Enforcement Division | U.S. Environmental Protection Agency
1200 Pennsylvania Ave. NW, Washington DC, 20004 | 202-564-5666 (office) | 202-841-6076 (mobile) |

From: Sorrell, Virginia
Sent: Wednesday, December 28, 2016 7:33 PM

To: Sullivan, Tim <Sullivan.Tim@epa.gov>; Fried, Gregory <Fried.Gregory@epa.gov>; Chapman, Apple <Chapman.Apple@epa.gov>

Cc: Portmess, Jessica <Portmess.Jessica@epa.gov>

Subject: FW: EPA NSPS OOOO Tank Applicability

All, see below for some feedback on the alert concepts from Colorado.

Ex. 5 Deliberative Process (DP)

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Thanks,
Ginny

Virginia Sorrell
Air Enforcement Division
Office of Civil Enforcement
U.S. Environmental Protection Agency
Phone: 303-312-6669

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From: Patefield, Scott

Sent: Tuesday, December 20, 2016 1:23 PM

To: Portmess, Jessica <Portmess.Jessica@epa.gov>; Sorrell, Virginia <Sorrell.Virginia@epa.gov>

Subject: FW: EPA NSPS OOOO Tank Applicability

From: Laplante - CDPHE, Christopher [<mailto:christopher.laplante@state.co.us>]

Sent: Tuesday, December 20, 2016 1:21 PM

To: Patefield, Scott <Patefield.Scott@epa.gov>

Cc: mark.mcmillan@state.co.us

Subject: Re: EPA NSPS OOOO Tank Applicability

Scott,

One more point. We've really had to ensure common understanding of the use of terms. We have shifted away from using the term "tank battery" as that has historically represented, in early rule and permit context, "all storage vessels" on a common well pad regardless of configuration. I think industry may still view that term the same way. So, if you want to use that term as analogous with our defined term "Storage tank", then I suggest you clearly define it that way. See Regulation 7, Section XVII.A.15 for that definition. It will be critical in any compliance alert to clearly define terms.

Chris

Christopher Laplante

Oil and Gas Team Supervisor
Stationary Sources Program
Air Pollution Control Division
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4300 Cherry Creek Drive South Denver, CO 80246-1530
christopher.laplante@state.co.us | www.colorado.gov/cdphe/apcd

"As of January 1, 2014, the Colorado Air Pollution Control Division no longer accepts blank or incomplete APENs. Additional fees may apply if an APEN is submitted without the necessary information. An application with missing information may result in longer processing times. Please note that all APEN submissions should be completed using forms currently supplied by the Division (See Reg. 3, Part A, Section II.A). If you need assistance, please refer to: www.colorado.gov/cdphe/sspermits"

On Tue, Dec 20, 2016 at 12:54 PM, Patefield, Scott <Patefield.Scott@epa.gov> wrote:

Chris,

Thanks for the feedback. This is very helpful. As discussed the tank battery approach does seem like an excellent solution to this issue. I'll forward the PS Memo to folks around here to see the scenarios you've mentioned.

Thanks a ton!

Scott

From: Laplante - CDPHE, Christopher [<mailto:christopher.laplante@state.co.us>]

Sent: Tuesday, December 20, 2016 12:38 PM

To: Patefield, Scott <Patefield.Scott@epa.gov>; mark.mcmillan@state.co.us

Subject: Re: EPA NSPS OOOO Tank Applicability

Scott,

As I mentioned on the phone, Colorado provided formal comments to EPA during the development of NSPS OOOO regarding the preference to consider the affected source a single storage vessel or in the case where multiple storage vessels are liquid manifold together, the entire set of manifold storage vessels. This is the concept adopted in our Regulation 7 and defined as a "storage tank". It addresses our concerns that when operators liquid manifold storage vessels together they should be viewed as a single emissions point for the purpose of calculating the emissions to assess applicability under Regulation 7 (Storage tanks with greater than 6 tons per year VOC uncontrolled actual emissions are subject to emissions controls). This approach simultaneously addresses one of the challenges that you share which is how do you otherwise apportion

emissions to individual storage vessels, for NSPS OOOO purposes, when they are in fact liquid manifold together?

Colorado has not tackled that NSPS OOOO applicability issue you reference because our state Regulation 7 is more stringent. Therefore, we've not provided specific written guidance to operators in the state, but have verbally agreed to allow the "average emissions" per storage vessel when questions are asked. We are open to understanding in greater detail what guidance EPA would propose on this. I think it would be beneficial to draw out some E&P design scenarios with common configurations if you intend to produce guidance. You might consider looking at this PS Memo and Section 8 for how we drew up scenarios to help explain expectation in a Colorado permitting context. It also differentiates between individual storage vessels and liquid manifold storage vessels under our definition of "Storage tank" in the permitting context.

https://www.colorado.gov/pacific/sites/default/files/AP_Memo-14-03-GP08-Guidance.pdf

I'd be happy to chat about this more as you have time available.

Chris

Christopher Laplante

Oil and Gas Team Supervisor

Stationary Sources Program

Air Pollution Control Division

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On Wed, Dec 14, 2016 at 12:55 PM, Patefield, Scott <Patefield.Scott@epa.gov> wrote:

Hi Chris.

Next week would be great. I'm not at liberty to share the actual compliance alert at this time, I tried to summarize the issue in the email below to see if you have general questions or concerns with our approach. Hearing what Colorado is doing in lieu of individual tank applicability (looking at tank battery emissions) would be very useful as well for our management to hear.

Let me know if you have thoughts/questions...

Thanks!

Scott

From: Laplante - CDPHE, Christopher [<mailto:christopher.laplante@state.co.us>]
Sent: Wednesday, December 14, 2016 12:50 PM
To: Patefield, Scott <Patefield.Scott@epa.gov>
Subject: Re: EPA NSPS OOOO Tank Applicability

Hey Scott. You forgot the attachment. When do you need feedback by? I won't be able to look at this until next week.

Chris

Christopher Laplante

Oil and Gas Team Supervisor

Stationary Sources Program

Air Pollution Control Division

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On Tue, Dec 13, 2016 at 3:38 PM, Patefield, Scott <Patefield.Scott@epa.gov> wrote:

Hi Chris,

Good talking to you this morning, sorry we got cut short. Here is a summary of the tank alert we briefly discussed. If you can, could you please let me know your thoughts on this?

As you're aware, NSPS OOOO and OOOOa define a storage vessel affected facility as a single storage vessel with the potential for VOC emissions greater than or equal to 6 tpy. The regs explain that the potential to emit is to be calculated using a generally accepted model or calculation methodology based on the maximum average daily throughput for a certain period. Our concern is that operators, instead of looking to the throughput of each single vessel since that's the affected facility, are simply using throughput to the entire battery and dividing by the number of tanks. This averaging approach is adopted regardless of how the battery is actually operated (i.e. if only 1 or 2 tanks in the battery are actually receiving liquids for the calculation period).

EPA is considering an alert to help owners and operators make affected facility determinations when a storage vessel is part of a battery. Because the regs define the affected facility as a single storage vessel, owners and operators must look to the individual vessel throughput and necessarily account for how the battery is operated (where liquid is directed and for how long). We think owners/operators can make these determinations correctly with the operational information available; the alternative would be to use the throughput to the whole battery in determining each storage vessel's potential for emissions.

The alert would also acknowledge the reality of tanks connected by vapor lines and clarify that a leak in a connected system could mean compliance issues with OOOO/OOOOa's closed vent system requirements.

Thanks for taking a look at this, Chris. Let me know if you have any questions or comments.

Thanks,

Scott

Scott Patefield

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